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Unions and Job Evaluation

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UNIONS AND JOB EVALUATION

by

Warren Alfred Goodlad

**A Thesis Submitted to the Faculty of the Graduate School
of Loyola University in Partial Fulfillment of the
Requirements for the Degree of Master of
Social and Industrial Relations**

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LIFE

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CHAPTER I

INTRODUCTION

The use of job evaluation as a method for establishing wage structures has increased rapidly during the past decade. The National War Labor Board gave job evaluation its greatest impetus when it recognized this form of wage determination as a good way to eliminate wage inequalities. As a result, many companies adopted job evaluation programs as a means of establishing wage structures within their plants. Many unions objected to job evaluation, but were willing to overlook their criticisms of it during the war in order to secure an increase in wages for union members.

During the post-war years, job evaluation has continued to be accepted more and more by industry. However, union opposition has also grown. Unions, in many cases, feel that it is better to return to the old method of negotiating wages on an individual job basis.

It is the purpose of this paper to investigate and analyze union attitudes towards job evaluation and to formulate suggestions for the development of job evaluation systems that will prove satisfactory to both management and unions. The main

issues involved in considering this problem will be (1) the attitudes of unions towards job evaluation, (2) the participation of unions in job evaluation plans, and (3) the contents of clauses dealing with job evaluation in collective bargaining agreements, including provisions for handling grievances. The discussion of the problem will be limited to the use of job evaluation in industry.

The text of this paper is based on articles and discussions of job evaluation found in periodicals, text books, and job evaluation manuals. In addition, a number of unions and universities were contacted in the course of the investigation for the purpose of determining what research had been done on this topic. The replies in general revealed only cursory coverage of this problem.

The organization and the discussion of this paper will be presented in the following manner. Chapter II will deal with the place of job evaluation in industry, the types of job evaluation plans most commonly used, how they are administered, and the relation of job grades to wage structures and how the wage structures are usually determined in conjunction with job evaluation plans.

In chapter III the discussion will deal with the attitudes of unions towards job evaluation, involving criticisms of its use and the misuse of it as a tool of management. The text

is based primarily upon the written opinions of union officials and the results of surveys of unions in regards to their opinions in connection with the operation of job evaluation plans.

The participation of unions in job evaluation plans will be covered in chapter IV. The discussion will center about the technique used by unions and management when both cooperate jointly to install a job evaluation system. This will include the methods used for informing the workers as to the purpose and objectives of job evaluation, the training of employees to act as union representatives in participating in the evaluation of jobs, and the operation of the union-management committee in establishing job grades and reviewing established grades. The discussion will cite specific examples of companies and unions that cooperated to install job evaluation plans.

The subject of chapter V will be the contents of union labor contract clauses covering job evaluation. A number of typical clauses taken from collective bargaining agreements of various industries will be presented. These clauses in general will cover administration of the job evaluation plan, review of existing grades, establishing new grades, methods by which unions can approve or oppose job grades, seek reviews, and handle information associated with such matters. This chapter will also include a discussion of grievance procedure, involving the regrading of jobs and handling of union objections to grades after they

have been established.

Chapter VI will briefly review the discussion of the previous chapters and evaluate the facts presented in the light of what can be done to improve collective bargaining between unions and management when job evaluation is involved. The refinements and changes that unions feel are necessary to improve job evaluation plans will also be discussed, and the future outlook for job evaluation in industry will be considered.

CHAPTER II

JOB EVALUATION IN INDUSTRY

Job evaluation in itself is not new; industry has always measured jobs against each other in order to establish some criteria for paying specific wages within a given wage structure. There has also been a tendency to base wages upon economic factors affecting labor conditions, such as the supply and demand of the labor market. In addition, there has been a constant drive by various organized labor groups to better their economic conditions. The competition thus occurring between organized groups for higher rates of pay required some means of determining the relative worth of one job as compared to another. The use of ordinary judgement in negotiating rates was not always reliable as industry expanded and the number of jobs in a plant became more numerous and varied.

As a result of continued advancement in developing work saving devices, the number of skilled jobs in industry has declined, and the number of semi-skilled and unskilled jobs has increased. Consequently, an objective method for determining the wage for each job had to be devised, since ordinary judgement could not be used for negotiating the rates for several hundred

jobs where previously it had only been necessary to determine rates for a very few occupations. In many cases where there is no formal method of establishing the relative worth of one job against another, there are wage inequities throughout the whole rate structure. It is under these conditions that some form of job evaluation can be used to good advantage.

Job evaluation can be defined as an analytical process by which jobs within an industry or plant are examined to determine their relative job values in relationship to each other in terms of job content. The object of any job evaluation system is equal pay for equal work. Its purpose is to provide a means for measuring jobs against each other as accurately and objectively as possible. In this way it is possible to determine a rate of pay for one job as compared to the rates of pay for other jobs in the same plant. Job evaluation does not propose to set desirable wage levels in the light of prevailing economic conditions such as cost of living, plant output, unit costs, or the firm's ability to pay. The real worth of job evaluation is in achieving an alignment of rates of pay for various occupations in a plant.

There are four types of job evaluation systems in use today. They are classified into non-quantitative and quantitative systems. Under the non-quantitative classification are (1) the job ranking method and (2) the job grading method. The quan-

titative systems are composed of (3) the factor comparison system and (4) the point rating plan. Job ranking is the earliest form of job evaluation. Usually a group of people familiar with the jobs in a plant are formed into a committee. The committee then ranks all jobs individually from highest to lowest, based on their relative difficulty and responsibility. The results of the separate rankings are then compared and any discrepancies are removed by averaging the respective rankings of the committee members.¹

The second method, known as job grading or classification, consists basically of the development of groups or levels of functions into which jobs are classified. A grade includes jobs which are considered to be of a similar function, without any detailed analysis of the job and without any formal criteria. The jobs within each grade may be ranked from highest to lowest in order to establish a better relation between the jobs.²

The faults of these two plans have resulted in the development of other plans which are based upon the principle of breaking the jobs down into component factors and evaluating them in terms of those components. These are the quantitative systems. The factor comparison method of job evaluation deter-

1 Richard C. Smyth and Matthew J. Murphy, Job Evaluation and Employee Rating, New York, 1946, 13.

2 Ibid., 14.

mines the relative rank of the jobs to be evaluated in relation to a monetary scale. The method used to accomplish this consists of the following steps:

1. Determining the factors to be used in the plan.
2. Selecting between 15 and 25 key jobs.
3. Ranking these jobs under each of the factors in the plan.
4. Apportioning the average rate currently paid each key job among the factors of the plan.
5. Adding supplementary key jobs to the scale just developed.
6. Evaluating the balance of the jobs.³

There are usually five factors used: mental requirements, skill requirements, physical requirements, responsibility, and working conditions. Each factor should be explicitly defined. In selecting the fifteen or twenty key jobs, care should be taken to choose the correct jobs, or else the whole rate structure will be out of line. A job chosen as a key job is one which is representative of the five factors for each specific grade level. Generally, the most common types of jobs are chosen such as tool-maker, machinist, electrician, drill press operator, and laborer.

After this the key jobs should be rated in terms of each factor by the committee individually. This is done by ranking each job in accordance with its position within each factor. After the committee members have done this individually, the results are compiled and the jobs classified in order from highest to lowest. The factors are then averaged out according to the average rate being paid to employees in each key job. The next

3 Ibid., 16.

step is for the committee to evaluate the balance of the jobs by determining where they fit in relation to the definition of the factor concerned and position of jobs ranked previously. Then the five factors are added to determine the money worth of the job.⁴

The most outstanding criticism of the factor comparison system is that the factors are tied to money values. In view of this fact, each time a revision is made in rates of pay, the whole wage structure must be revised and all jobs reevaluated in terms of the new values of the factors for each job.

The second quantitative method is the point rating system. Each job is assigned a certain number of points on the basis of factors which are graduated into degrees, each degree having a point value. The total points determine what grade classification the job falls into. The grade classifications are determined by points having an upper and lower limit for each classification. Generally, key jobs are selected in each grade level. The number of factors used in a point rating plan generally averages between ten and fifteen. Each factor is divided into four to five degrees weighted with points, usually based on an arithmetic progression. The factors usually have four major headings: skill, effort, responsibility, and job conditions. The skill factor is then broken down into three parts: education, experi-

4 Ibid., 16-24.

ence, and initiative and ingenuity. Effort is composed of two parts: physical demand and mental and visual demand. Six items constitute the responsibility factor; they are equipment, process, material, product, safety of others, and work of others. Job conditions includes working conditions and unavoidable hazards.⁵

The following table shows a breakdown of the factors and point values in a typical point rating plan.

TABLE I
NATIONAL ELECTRICAL MANUFACTURERS ASSOCIATION'S
JOB EVALUATION PLAN^a

Factor	Degree					Total points possible
	1st	2nd	3rd	4th	5th	
SKILL						
1 Education	14	28	42	56	70	
2 Experience	22	44	66	88	110	
3 Initiative & Ingenuity	14	28	42	56	70	250
EFFORT						
4 Physical demand	10	20	30	40	50	
5 Mental & visual demand	5	10	15	20	25	75
RESPONSIBILITY						
6 Equipment or Process	5	10	15	20	25	
7 Material or Product	5	10	15	20	25	
8 Safety of others	5	10	15	20	25	
9 Work of others	5	10	15	20	25	100
JOB CONDITIONS						
10 Working conditions	10	20	30	40	50	
11 Unavoidable hazards	5	10	15	20	25	75

^a William Gomberg, A Labor Union Manual on Job Evaluation, Chicago, 1947, 22.

⁵ Jay Otis and Richard H. Leukart, Job Evaluation, New York, 1948, 89-92.

The National Electrical Manufacturers' Association's plan, shown above, is widely used. There are eleven factors in the plan and ten grade levels. Generally there are definitions for each degree of a factor specifying the job conditions to which that evaluation should be applied.

One of the most favorable advantages which the point plan has over the factor comparison plan is the fact that the attributes or factors are tied to numerical values. In view of this, whenever there are any changes in the wage structure, the only revision necessary is in the wages paid to the existing labor grades. This eliminates the tremendous job of reevaluating all jobs as would be necessary in a factor comparison plan.

In addition to evaluating all jobs in a plant by reviewing the component factors of each job, it is also necessary to write a detailed description for each job. Job descriptions generally define the title of the job, list the types of equipment used, the product produced or operations and processes performed, and give a step-by-step list of the job duties. The job description is used by several different individuals in a company, so it is important that it be well written. Usually copies of the description, besides going into a file of all job descriptions in the industrial relations department of the company, are given to the personnel placement people for job placement purposes, to the interested supervisors connected with the job, and to the union representatives concerned with reviewing job grades.

One other aspect of job evaluation is the necessity of a good wage survey program. Generally a wage survey is limited to industries having comparable occupations within the same region. By comparing wages of other companies, the company conducting the survey can determine how its rates of pay for various jobs compare with the other industries. If any adjustments are required, they can be made with definite justification. A good wage survey also provides a definite answer, should the union question wages. A company which uses a wage survey and does a good job of administering the results will have little trouble concerning job rates for individual jobs.

In brief, job evaluation is composed of two types of classification systems, the non-quantitative and the quantitative. The former includes job ranking and job grading plans, and the latter is composed of the factor comparison system and the point rating plan. The jobs are classified in terms of complexity based upon judgements of a group of individuals or evaluation of various job factors. The jobs are then classified in relation to one another from the highest to the lowest, and a wage structure is set up to pay stratified rates. The purpose is equal pay for equal work, and the pay is based upon the characteristics and skills an individual would need to perform the job. However, it does not take into account the personal factors of the individual on the job. Included in most job evaluation plans are also job descriptions and wage surveys.

CHAPTER III

UNION ATTITUDES TOWARDS JOB EVALUATION

The attitudes of unions towards job evaluation cannot be said to be entirely for or entirely against this method of formal wage determination. Unions were forced to accept job evaluation during World War II in order to obtain raises for their members, and a job evaluation program was the accepted method by which the National War Labor Board was willing to correct inequalities in the wage structure of a plant. It was for this reason that many unions passed over their criticisms of job evaluation and accepted it. However, at the end of the war we returned to peace time production, which resulted in an increase in the number of jobs requiring less skill, and consequently an attempt by management to downgrade a number of these jobs. The unions, of course, attempted to fight any reduction in rates, and, in many cases, the unions were able to keep rates up.

It is the prevailing opinion among many union officials that job evaluation is a "management tool" for setting rates. Unions feel that job evaluation programs are an effort to set up "rigid formulae for establishing job rates and therefore reduce

the area of collective bargaining."¹

Boris Shishkin, economist for the American Federation of Labor, stresses the importance of union representatives understanding all the aspects of job evaluation. Under collective bargaining it is not possible to adjust rates fairly unless union representatives can judge the value of a job. Practical judgement, Mr. Shishkin feels, is a far better method of determining rates than by the use of formulae.²

In considering the types of job evaluation plans employing the so-called formulae to determine labor grades, the unions are very critical of the use of fixed values in establishing a rating for job conditions involving such factors as noise, hazards, monotony, and clothes spoilage. Other conditions such as glare of lights in some types of metal polishing or the stench of chemicals as occur in metal plating operations and other annoying job conditions such as dirt, dust, and dampness can only be judged through experience. The unions are inclined to say that these conditions can only be rated by employees who have had practical experience in such matters. The workers themselves are really the only individuals capable of truly evaluating such fac-

1 Solomon Barkin, "Wage Determination: Trick or Technique," Labor and Nation, June-July, 1946, 27.

2 Boris Shishkin, "Job Evaluation, What It Means to Unionists," American Federationist, August, 1947, 20.

tors accurately, Mr. Shishkin states. Evaluation of these factors made independently by the worker and expressed through his union are absolutely necessary in making realistic judgements regarding jobs.³

Solomon Barkin, Director of Research, T.W.U.A.-C.I.O., questions the fairness of assigning a fixed value of fifteen per cent for working conditions to the total possible points of a point rating plan. He questions the authority and accuracy of establishing a value of seventy per cent of total possible points for mental skill and physical requirements.⁴ It is, he feels, impractical to assume that by merely adding up a group of numbers representing job factors, we can come up with a single value representing the place of that job in relation to other jobs. Mr. Shishkin states that advocates of job evaluation argue that its scientific approach insures accurate results, but that this argument is not true when one considers the great number of various job evaluation plans used in industry, each one claiming to be scientific and objective. The values assigned to the attributes of any job evaluation system are not characterized by weights determined by a scientific procedure. These values are merely assigned as a result of arbitrary judgements of individuals who determine the relative worth of one job attribute against the value

3 Ibid., 21.

4 Barkin, "Wage Determination," Labor and Nation, 27.

of all other attributes to the sum total worth of the job.⁵

Professor C. H. Lawshe of Purdue University has pointed out some of the distortions which occur through the use of the point system. His investigation of the operation of point systems in factories revealed that in plants using substantially the same point values there was a discrepancy in the skill factor which varied from 77.5 per cent to 99 per cent of the total possible points. He concluded that "the extent to which each item or factor contributes to the total cannot be determined by inspection of the scale alone and that the end result may yield results different from those intended by the makers of the scale."⁶

Barkin states further that it is a common practice in industry to undervalue manual labor jobs as against "productive manipulative jobs." The fact that education is generally highly rated for factory jobs even though the rate of pay for clerical white collar help against production jobs is low indicates that the education attributes tend to be weighted too heavily in factory jobs.⁷

The experience of unions with job evaluation has proven

5 Shishkin, "Job Evaluation, What It Means to Unionists," American Federationist, 21.

6 C. H. Lawshe, Jr., and G. A. Satter, "Studies in Job Evaluation," Journal of Applied Psychology, June, 1944, cited in William Gomberg, A Labor Union Manual on Job Evaluation, Chicago, 1947, 76.

7 Barkin, "Wage Determination," Labor and Nation, 27.

that it is possible to arrange these plans to a particular desired end. Hand tailoring of systems for particular plants is recommended by experts in the field of job analysis. The result, the unions feel, has not been for the benefit of labor. Any advantages gained have been in the interest of management. The fact that these systems differentiate jobs along rather slim lines has caused unions to constantly ask revision of job factors. Generally the union is out to emphasize those factors reflecting production rather than the ones dealing with what might be considered intangible elements. The result is that collective bargaining deals more with the technique to be used in rating jobs than with the rates to be paid jobs after they are classified.⁸

In plants where there are a diversity of activities and a great variety of jobs in which the workers are engaged, there is room for many inconsistencies. The result of such a condition can be either over-paying or under-paying individuals for similar work performed in plants specializing in a particular type of work in the same area. This is due to the fact that a single rate structure exists and there is not enough flexibility within the system to pay prevailing wages for comparable work. A condition such as this, if it exists, can result in the complete breakdown of a job evaluation system if the union should desire to get tough. We are presuming that the union has the ability and where-

withall to back up its demands. A union under these circumstances can go in and, department by department, demand that comparable rates be paid for work performed within the department as that paid by those industries within the same area specializing in the field.

Boris Shishkin lists what he calls "labor's most important general criticisms of job evaluation." As he states them they are:

1. Job content, on which job evaluation is based, is not a sufficient measure of what a job is worth; other factors may deserve equal or even greater consideration. Wage rates on jobs in a plant cannot be set without regard to wage standards prevailing for the same work outside the plant and without taking into account other outside considerations.

2. Job evaluation attempts a mechanical substitute for judgement. But there can be no substitute for human judgement. We should make judgement more systematic and more responsible, not more mechanical.

3. Much of the complicated job evaluation technique is hocus-pokus which prevents workers from understanding the pay system under which they work, and which makes impossible equal and effective participation of the workers' representatives. Yet thorough understanding by workers of their rates and full participation by the workers in the rate making process are essential to sustained high production and satisfactory worker-management relations.⁹

In forming a union wage policy Mr. Shishkin suggests that the unions assert themselves as much as possible. In the first place the unions should "take the initiative" in keeping up

⁹ Shishkin, "Job Evaluation, What It Means to Unionists," American Federationist, 21.

on changing conditions within the plant. Shop stewards should report wage inequities and the union should form a committee to review all wage rates and classifications. Secondly, the unions should "develop a clear policy;" that is, they should base all negotiations on factual data, be sure that all proposals are in accord with long term policies, and all items to be negotiated are agreed upon among the union membership before submission to management. In the third place, the union should "be fair and constructive;" every attempt should be made to justify proposals to management. Fourthly, a union should not try to resolve all problems immediately, negotiations should not be overloaded, and the most pressing problems should be considered first. Finally, it is necessary that there be a sound administration; proper procedure should be determined and followed to the letter.¹⁰

William Gomberg, Director of the Management Engineering Department of the International Ladies' Garment Workers' Union, writes that the problem which job evaluation presents is not how to destroy it and eliminate it, but how to mold it into a useful collective bargaining instrument. He states that the only function of job evaluation in collective bargaining is the setting up of a "job hierarchy" in terms of the makeup of each individual job. Job evaluation, as it is used, does two things: (1) the

¹⁰ Boris Shishkin, "Job Evaluation, What Unions Should Do About It," American Federationist, September, 1947, 22-23.

construction of a job hierarchy, and (2) the conversion of jobs into a wage scale.¹¹ The method by which unions should handle job evaluation should be in regards to their ability to set up a means of measuring relative job content and simplicity of the plan so that it is easily understood by the union's membership. The purpose of this is to put the union in a position to offer a counter proposal to management.

In a survey of sixty-six unions, made in 1947 in Pittsburgh, some indication of union attitudes towards job evaluation was clearly shown, even though not all the unions supplied complete information. The following table indicates the number of these unions which used job evaluation and number which did not, according to types of union.

TABLE II

NUMBER OF UNIONS USING JOB EVALUATION^a

Types of unions	Never use job evaluation	Use job evaluation
Craft	23	0
Industrial and amalgamated craft	14	18

^a L. Cohen, "Unions and Job Evaluation," Personnel Journal, XXVII, May, 1948, 9.

¹¹ William Gomberg, A Labor Union Manual on Job Evaluation, Chicago, 1947, 73.

The survey was conducted on a personal interview basis in order to eliminate any possible misinterpretation of the questions asked. The questions that were asked are:

a. Have any of the companies with which the union bargains ever used any formal job evaluation system?

b. Does the union conceive the formation of a job evaluation program to be the sole responsibility of management, the primary responsibility of management with the union reserving a veto right, the joint responsibility of the union and management, or the sole responsibility of the union?

c. How effective has the job evaluation program been in reducing grievances or improving morale?

d. Has experience been different with different types of job evaluation systems; e.g. overall job rating, job classification, factor comparison, or point rating?

e. Has formal job evaluation ever been used by the union in formulating their own wage demands?

f. What is your personal opinion about job evaluation; should it be used more and more; is its continued use unnecessary?¹²

It was found that craft unions generally opposed job evaluation. The typical attitude was "we are not concerned with what other workers may be getting, but we do want to know what we are going to get." The craft unions base their wage demands on a union scale going back many years. This scale is modified only by the cost of living, the available labor supply, and other economic factors such as productivity, comparative wages, and ability to pay. In view of these facts, we may conclude that an industry which has predominantly craft unions would have to undertake a large and intensive educational program before installing

¹² L. Cohen, "Unions and Job Evaluation," Personnel Journal, XXVII, May, 1948, 7-8.

a job evaluation plan.

Industrial unions were more favorable in their attitude toward job evaluation. In the survey, thirty-two of the industrial unions supplied usable data. Of these, fourteen did not use formal job evaluation plans in determining wages. However, they did not take a definite stand against it. They simply stated that the object of job evaluation had been accomplished by formal wage negotiations over a long period of time.

It was to be expected that the attitudes of the industrial unions would be the opposite of those of the craft unions. The industrial unions have a large membership, ranging from the lowest in skill to the highest, and they must be conscious of wage differentials and have some objective method of determining what the differentials should be so that ready explanations can be made to members who may complain, after collective bargaining agreements have been signed, that they will receive less than they should in comparison to the pay of their fellow members. On the other hand, craft unions usually bargain for employees with a single trade. They are not primarily concerned with wage relations and differentials, but rather with the craft minimum. All the members get practically the same wage, and complaints do not involve inequities.

Eighteen of the industrial unions reporting either used or still use formal job evaluation systems to help them formulate their wage demands; or recognize that the employers with whom

they bargain are justified in using job evaluation.

Three unions evaluated independently stated that job evaluation helps during contract negotiations and is used as a practical aid to conduct union business. It gives unions a "talking tool" in bargaining with management.

Six unions expressed the idea that the institution of a job evaluation plan should be the joint responsibility of management and labor. Two unions felt management should be responsible alone, and one union felt it was immaterial who was responsible for installing a job evaluation plan.¹³

Helen Baker and John M. True of Princeton University made a survey of seventy-three companies for the purpose of investigating the experience of these companies with job evaluation.¹⁴ Of the fifty-six companies reporting, over fifty per cent said that trouble with unions interfered with the effective maintenance of the plans. It was revealed that although a number of executives understood that a favorable union attitude was important, there appeared to be little attempt on the part of management to try to overcome the unfavorable attitude of unions towards formal wage plans.

In an effort to appraise the total collective bargaining

¹³ Ibid., 10.

¹⁴ Helen Baker and John M. True, The Operation of Job Evaluation Plans, Princeton, New Jersey, 1947, 72-83.

situation, Baker and True secured the opinions of union officials. Included were twenty union officers of local or international unions representing nine large unions which acted as bargaining agents for thirty-three of the companies included in the survey. The results of the investigation revealed a traditional distrust of management techniques and also the problems that must be solved if job evaluation is to be a successful tool for collective bargaining.

The extent of participation by the unions in thirty-four of the fifty-six plans which covered occupations within the bargaining unit was limited to a right to review and challenge individual rates. Most of the industries had unilateral plans. Eight companies of the fifty-six had unions which exercised a limited participation amounting to the approval of new grades by the union before the evaluations became effective. Joint union-management participation was engaged in by eleven of the unions and companies involved, three of which were installed at union request. The other three companies reported that the unions opposed job evaluation.

A large number of the companies reported satisfaction with job evaluation in general. However, only three of eleven local unions reported satisfaction, and none of the national unions included in the survey reported satisfaction. International union officers of three locals reporting satisfaction with job evaluation strongly opposed the acceptance on the part of the

union of any type of formal job evaluation plans. The difference between local and international union opinions on job evaluation differed only as to the degree of opposition. In interviewing five top union officials, three opposed it in its entirety, one said that although he did not oppose job evaluation, he believed that nine out of ten cases were harmful in practice. One other union officer would not commit himself one way or the other as to his opinion in regards to job evaluation.

Many local unions feared malpractices on the part of management, such as distortion of factors to fit predetermined evaluations of the job analyst. Unions on the whole agreed it was politically impossible for a union leader to accept a formal system of job evaluation resulting in lowering of some rates even though an equal number of jobs would be upgraded.

A number of union officials expressed the opinion that companies were too secretative concerning the techniques used. However, top officers of the unions stated that they were able to obtain pertinent information. When there were cases of management trying to keep systems confidential, the unions said this tended only to increase the suspicions of the union membership.

The problem of technological change was another matter of concern to the unions. Through the introduction of certain types of machines, resulting in work simplification, jobs had decreased in the skill needed while productivity rose. Through the decline in skill required, the rate for the job had decreased

while the output rose, and the operator was not adequately compensated for the increased production under formal job evaluation.

The facts involved were entirely true, but in this case the union was overlooking the fact that job evaluation merely evaluates the factors involved in the job. Any compensation for increased productivity should be based on piece rate payment, a matter entirely divorced from formal job evaluation except in its relation to the rate paid a job and the percentage paid for incentives purposes.

In general most local union officers are not opposed to formal job evaluation plans. They are primarily concerned with malpractices on the part of management and will accept a formal wage determination program if safeguards against malpractices are included in the agreement. Local unions tend to be willing to be guided by the results of job evaluation if it isn't forced upon them.

On the other hand, national and international unions have been very emphatic in their denunciation of job evaluation. At the first constitutional meeting in 1946 of the Utility Workers Union of America (C.I.O.), a resolution was passed condemning job evaluation as "pseudo-scientific arrangements for circumventing collective bargaining."¹⁵ They proposed that all wage in-

¹⁵ Cited in Baker and True, Operation of Job Evaluation Plans, 81.

equities be eliminated by union-management negotiations. A vice president of the International Association of Machinists stated:

We are opposed in principle to job evaluation for many reasons but principally because the real worth of an employee to his employer cannot be determined by measuring the par requirements of his job. Human factors which affect production costs and the employer's profits cannot be measured by the rule of job evaluation. . . . Job evaluation adversely affects an employee's worth to his employer. It shackles his real and potential skill, ability, resourcefulness and versatility.¹⁶

In contradiction to the above statement, the United Office and Professional Workers (C.I.O.) adopted a resolution at their convention in 1946, accepting job evaluation. The resolution said in part:

Job classification systems should be established wherever possible on an industry basis, based on a fair evaluation of all jobs and special features of white collar employment, including skill, training, education and other factors.¹⁷

By way of conclusion, we may quote Mr. E. N. Hay, who has summarized Boris Shishkin's expression of the attitude of the A.F.L. towards job evaluation. His summary is as follows:

1. Job evaluation, properly used, has a place in wage administration.
2. Job evaluation alone does not give a sufficient basis for setting relative job values.
3. Many managements use job evaluation in ways that interfere with fair collective bargaining.
4. Job evaluation is unsound because the relative values of jobs (not merely the actual wage rates) cannot be determined from the duties alone.

16 Ibid.

17 Ibid., 82.

5. Unions must be free to negotiate not only the job rates but also individual rates.

6. Point rating plans frequently are objectionable because they attempt to eliminate the use of judgement.

7. In spite of weaknesses in job evaluation and its frequent mis-use by management, it is advisable for unions to understand it so as to be able to bargain effectively with management.¹⁸

In general, then, we may say that unions feel that job evaluation is a management tool. They criticize it as an over-complicated system of confusing figures, formulae, graphs, and wage surveys. They say it is a method which requires highly specialized training to qualify individuals as job analysts, which is both expensive and time consuming and cannot be afforded by most unions. Another factor which unions criticize in job evaluation is the fact that the people affected by it do not understand it nor are they informed as to the technique used in administering it. Most unions, however, are in favor of some type of simple rate structure including clearly defined job descriptions. Industrial unions have been more favorable to job evaluation than craft unions, since industrial unions, being composed of workers representing varied levels of skills and occupations, require some method for defending the different levels of pay which are negotiated. Craft unions, on the other hand, are not so concerned with diversified rate levels since they bargain for employees with a single trade.

¹⁸ E. N. Hay, "Attitude of the American Federation of Labor on Job Evaluation," Personnel Journal, XXVI, Nov., 1947, 163.

CHAPTER IV

UNION PARTICIPATION IN JOB EVALUATION PLANS

There are many advantages to be had by both sides when union and management officials get together and set up a job evaluation system. Probably the most significant of the benefits has been management's ability to enlist the active support of employees and their chosen representatives, and to eliminate the grievances arising from an arbitrarily imposed wage system. To be successful, any job evaluation program must meet with the approval of management, supervision, and employees. In the latter case, no acceptance can be more readily obtained than by having employees participate from the very inauguration of a job evaluation plan.

To be favorably received by labor and to achieve best results, an employee rating plan should be the result of a joint management-labor committee. Careful planning and leadership are essential to such a program. Company supervisors and union representatives must be adequately trained in procedures of rating and given proper guidance in reviewing ratings.

The following discussion will give examples of successful union-management cooperation in formulating job evaluation

plans.

York Corporation. The York Corporation, for instance, started out by calling in the Ice Machinery Independent Employees Association officers and explained the desirability of a job evaluation program.¹ At first the union officers were skeptical, but agreed to present the idea to the union members. The members approved the idea and a joint job evaluation committee was organized. The membership was divided evenly between union and management. The company's chief analyst was chairman, and the committee consisted of two permanent members of both management and the union. One union member served as secretary of the committee. When the committee was in session, the secretary recorded the results of the evaluation of each job. The chairman functioned in an impartial manner, guiding the committee in their discussion and evaluation of each job in accordance with accepted evaluation standards.

While jobs of each department were evaluated, the department head and union representative became members of the committee. As soon as each department was finished, the department head (general foreman, usually) and the union representative (shop steward) were relieved of active participation and returned to their jobs.

1 D. C. Wilson and G. T. Sichelsteil, "Joint Union-Management; York Corporation," Personnel Journal, XXVII, April, 1949, 420-425.

During the initial installation of job evaluation, the company undertook an educational program. It was explained that the plan was a joint affair and all employees were to participate. The superintendents of production explained to their subordinates the roll they were to play.

Next, meetings were held with all supervisors and union representatives and delegates; they were held on department levels in groups of fifteen to twenty each. These were informal meetings with the chief analyst acting as chairman. At the start of each meeting, a brief explanation was given of the objective of formal job evaluation. A sample evaluation of an actual job was conducted with the members of the meeting acting as a committee. These meetings took all mystery out of job evaluation and proved to save much dissatisfaction later on.

After the educational phase, jobs were listed and described by an analyst. After each job description was typed, it was returned to the supervisor, who in each instance went over the description and subsequently had the union delegate and concerned employee do likewise, in order to note any mistakes. In order to be complete, all three initials had to appear on the description.

With the descriptions complete for each department, they were given to the chief analyst who then presented the job descriptions to the joint committee for evaluation. The joint committee evaluated jobs by departments. In all, seventy-five

departments were served and one thousand jobs evaluated. In no case did the committee fail to secure sufficient agreement to evaluate a job. A majority vote of the committee was necessary to place a point value on a job. The chairman could not vote. The features of both the factor comparison and the point system were used, although basically the plan can be classed as a point system.

All jobs were evaluated and the employees tentatively classified in jobs; scattergrams were constructed by the chief analyst and presented to the committee.

After labor grades were established, money values were placed on each grade. This was done by the chief analyst by using a scattergram previously prepared. The company used its basic wage structure which was already established. After this was done, the labor grades and accompanying wage structure were presented to the committee for review and approval. After the committee made adjustments, the entire plan was submitted to management for approval. At the presentation, the number of overpaid and underpaid employees was furnished and the cost of bringing up underpaid employees was furnished. At the same time the cost of the company's overpaid employees was also shown. Approval was given by the Board of Delegates and at a later date by the President and Board of Directors of the York Corporation.

As a means of informing the employees of the purpose and function of the new job evaluation plan, a small booklet was

printed and sent to the home of each hourly paid employee before formal classification was undertaken. The booklet was called Yorkco Hourly Rated and used cartoons in explaining the objectives of the new plan.

As the classification of all employees was completed, a master wage control file was set up. Over a period of six months, underpaid employees were brought up to the new grade level, and overpaid employees were placed in jobs at their wage rate or otherwise adjusted to the top of their classification.

As changes took place, the wage and salary administration department was advised by the production department supervisor and methods and rate department. If any change in content and responsibility or pay were found in a job, it was restudied. Job analysts prepared a new description and presented it to the department foreman, union delegate, and employee for approval. The description was then presented to the joint committee. Whenever a job became obsolete, the committee abolished the entire job description and point rating.

If an employee had a complaint, he was urged to tell his foreman. If the employee wanted a union steward to accompany him, he could do so. If the foreman and steward could not settle the complaint, the foreman could then request a reevaluation or review of the job to the superintendent of the wage and salary administration department. The job would be assigned to a job analyst who would gather the facts and present them to the committee.

tee. Before any action would be taken by the committee, the department foreman and shop steward would be called in to sit as members of the committee. The committee would evaluate a case on its merits, and the decisions of the committee would be binding on all concerned. In the event the committee reached a deadlock, the case would be referred to another committee. The latter committee would consist of the director of manufacturing, manager of industrial relations, union president, foreman, and steward from the department concerned, with the chief job analyst serving as secretary. Whenever new foremen or delegates were introduced to the committee for the first time, they were given the same educational background as undertaken at the outset of the plan.

A regular docket for requests of reevaluation and new evaluation of jobs was maintained by the wage and salary administration department. Except when an emergency arose, the committee meetings were called when the time needed amounted to a half day. All committee meetings were held during working hours.

Members of such a committee should be able to command the respect of the employees. Management members should be supervisors with long experience, basically honest, have the ability to analyze, and also have reasonable patience. Union members should also have the same basic qualifications.

Alexander Smith and Sons. Another example of joint union-management participation in job evaluation systems is the program undertaken by Alexander Smith and Sons in 1946 to evalu-

ate 159 jobs in the clerical department of their carpet mill.² About 270 employees, all union members, were selected for a case study.

The point system was chosen as the simplest and most likely to succeed. Eleven factors were selected and given point ranges. Management representatives then presented the plan to the union representatives, who offered their ideas on it. At their suggestion, it was decided that the plan should apply to union employees only, excluding supervisory personnel. Further, the designation of the factor of education (originally measured in terms of formal education) was changed to knowledge (measured in terms of mental level or capacity for the specific job).

The factors worked out by the labor-management committee are as follows:

1. Knowledge - The level of mental training.
2. Experience and learning time - The total time on the job and prior thereto, necessary to perform the job satisfactorily.
3. Initiative - The independent action required to work without supervision.
4. Judgement - The demand for meeting situations; the degree to which the job requires reaching a correct decision by analysis.
5. Monetary Responsibility - The maximum possible loss to the company which would be incurred by any single error, expressed in monetary value.
6. Leadership - The degree of responsibility for the leadership and training of employees: A. Training of others, b. Distribution of work.
7. Responsibility for Company Operations - The control and

2 F. Westbrook, Jr., "Company-Union Committee Evaluates Office Jobs," Management Review, XXXVI, June, 1947, 318-320.

safeguard of company facilities, procedure, or any work of a confidential nature.

8. Special Personal Requirements - Ability to get along with people, characteristics necessary for proper contacts -- pertains to special characteristics above those required of the average employee.
9. Effort - Degree and continuity of mental application required by the job.
10. Motor Skill - The quickness and deftness required in the coordination of eyes, fingers, or other senses, with the muscles to perform the job.
11. Working Conditions - Surroundings or physical conditions under which the job must be performed.³

These factors agreed upon, the management and union representatives proceeded to describe and evaluate thirty key jobs with the specific purpose of grounding themselves in a technique of evaluation and bringing their thinking to a mutual agreement.

All this accomplished, management and union decided they had a workable system and agreed to go ahead with the evaluation of all jobs in the clerical department, but not to discuss monetary values until the evaluations were completed, when the entire question of wages would be submitted to collective bargaining.

An evaluation committee, comprising two management and two union representatives, was appointed. A meeting was then held with all supervisors and union stewards of the clerical department to explain the program and to assign to them the task of preparing job descriptions for their respective groups.

After the stewards and supervisors had written and

³ Ibid., 319.

agreed upon their descriptions, an experienced employee in each classification was called upon to read the description, comment on it and sign it. In the final evaluation, the stewards and supervisors who prepared each description were subjected by the evaluation committee to thorough questioning and discussion of the various factors.

The final step consisted of plotting all the job ratings on a scatter chart, based on their point values and current wages. This line had a ragged range as some jobs were overpaid and others were underpaid on the wage scale used at that time. Through the ragged line a theoretical line was drawn, which indicated the compensation which each job might receive.

Following the collective bargaining on the wage scale to be applied to the point system, the plan was ready for application.

Case History of a Manufacturing Firm. Mr. Nicholas Martucci, a consultant in management, Hillside, New Jersey, has illustrated some of the problems which arise when a joint union-management job evaluation program is undertaken.⁴ In one case a large manufacturing company decided to install a job evaluation system to eliminate wage inequities in shop jobs. The company had four plants; two were unionized and two were unorganized.

⁴ Nicholas L. A. Martucci, "Case History of a Joint Management-Labor Job Evaluation Program," Personnel, September, 1946, 98-105.

The organized plants were located in the same town and were represented by a single local. When the national and district office found out about the proposed job evaluation program, they instructed the local not to participate in any phase of the program. The result was that management proceeded to introduce the program into the two unorganized plants.

In order to gain the union's interest, the company invited union officials to confer with department heads as to the method for studying jobs. Periodic conferences of union officials and management revealed some of the union's fears and attitudes concerning the program. The union was quite favorable to the company's plan to bring in new employees to train as job analysts. The union was consulted on contents of the manual that the company was compiling as a guide to evaluating jobs. Job analysts were trained in the plants having the union so that the union representatives and job analysts would get to know each other and how each other operated. This was of particular importance so that the union could learn how information for grading a job was gathered.

Finally, a labor-management committee was formed, composed of three union and three management representatives. The head of the job evaluation department acted as chairman.

A similar committee was set up for the two non-union plants. The purpose of the committee was to select and evaluate key jobs and choose a rating plan. A point plan was chosen and

the points were established on the basis of one hundred. Each committee member rated the factors in terms of what he thought most important, and then the results were tabulated and averaged out. There were twelve factors chosen and these were subsequently divided into degrees.

One of the outstanding results was the development of a better communications system between the union and management. Some of the union people on the job evaluation committee used union principles to defend job evaluation.

After a group of key jobs was selected, they were evaluated. Some individuals tended to be overly generous in their evaluations. This was foreseen, though, and the individuals were warned against this tendency.

Although the union did not participate in evaluating the jobs, it did have a committee which sat in and reviewed each new grade or reevaluated grade and gave final approval on the jobs.

United States Steel Corporation. In 1947 the United States Steel Corporation and the United Steel Workers Of America (C.I.O.) concluded an unprecedented agreement in industry up to that time.⁵ The purpose of the agreement was to eliminate all wage inequities throughout the industry, and it was the first time such an industry wide agreement had been made. Except for

5 Robert Tilove, "The Wage Rationalization Program in United States Steel," Monthly Labor Review, LXIV, June, 1947, 967-982.

some locations in the south, wages were negotiated on the same basis throughout the country. More than forty plants from coast to coast were involved.

Union and management combined to work out a manual based on the point rating plan. Each factor was converted or scaled down so that the points when added automatically totaled up to the numerical designation of the job grade. As a result, this preconverted scale eliminated a separate grouping of point values for grade classifications. The manual rated the factors as shown in the following table, giving only the maximum values.

TABLE III

POINT RATING PLAN OF THE UNITED STATES STEEL COMPANY
AND UNITED STEEL WORKERS OF AMERICA (C.I.O.)^a

Factor	Maximum point value
Preemployment training	1.0
Employment training & experience	4.0
Mental skill	3.5
Manual skill	2.0
Responsibility for material	10.0
Responsibility for tools & equipment	4.0
Responsibility for operations	6.5
Responsibility for safety of others	2.0
Mental effort	2.5
Physical effort	2.5
Surroundings	3.0
Hazards	2.0

^a Robert Tilove, "The Wage Rationalization Program in United States Steel," Monthly Labor Review, LXIV, June, 1947, 78.

Summary. For successful installation and administration of a job evaluation program through joint union-management participation, we may draw the following conclusions from the previous discussion. The union must first of all be willing to accept the principles of job evaluation and cooperate in the administration of the program. The union must be represented on the committees evaluating the jobs, choosing the type of plan to be used and the composition of the plan. All employees should be thoroughly instructed as to the purpose, function, and operation of the plan, and should be given specific examples of the hoped for results before the program is put into operation. The shop union representatives should have a chance to look over and accept or reject a job description as well as the shop supervisor. There should also be a definite procedure set up so that the union may ask for a job review or reevaluation, as well as a general understanding that all newly created jobs will be evaluated as soon as possible. It is completely possible through joint participation of unions and management to achieve a rate structure and wage determination program that is satisfactory to both sides.

CHAPTER V

JOB EVALUATION IN THE COLLECTIVE BARGAINING AGREEMENT

Generally when management and labor cooperate to install a job evaluation plan, a portion of the collective bargaining agreement is devoted to prescribing the responsibilities of both parties in carrying out the plan. The clauses which cover job evaluation usually go into much detail as to what can and what can not be done under the job evaluation plan.

A number of union agreements prescribe and itemize the job titles and include top and base rates. A contract set up during World War II between an eastern equipment manufacturer and an A.F.L. (American Federation of Labor) union included 115 job titles and their top and base rates.¹ The agreement included in addition the procedure to be followed when new jobs were established. The agreement reads in part as follows:

When any new jobs are created the rates of pay and classification will be agreed upon by the union and the employer.

The employer will notify the union of all wage increases.

¹ The Dartnell Corporation, Job Evaluation Methods and Procedures, Report No. 605, Chicago, n.d., 70.

In the case of all job classifications with a single wage rate or a minimum rate of 85 cents or under, the employer may hire new employees at a rate of 5 cents per hour below the single rate or the minimum rate of the job classification, except the present hiring practice in the . . . division shall be continued.

In the case of all job classifications with a single wage rate or a minimum rate over 85 cents, the employer may hire new employees at a rate of 10 cents per hour below the single wage rate or the minimum rate of the job classification.

In such cases where new employees are hired below the single wage rate or the minimum rate of their job classifications, such employees shall receive a 5 cents per hour increase every 60 days of employment until he or she has received the single wage rate or the minimum rate in his or her classification. Any voluntary increase given to such employees shall be in addition to the above automatic increase.²

The agreement between a midwestern metal manufacturer and its labor union includes a very clear statement of job evaluation procedure. It is worded as follows:

Both parties agree that the National Metal Trades' job evaluation shall be the basis for the rating and placing of jobs within this wage structure. The parties agree that it is to the mutual benefit of each that true and equitable rates are established and maintained. It is further agreed that this is a responsibility of management and the union. Accordingly, the parties agree to the following method of operation and application.

1. Present jobs will be classified in accordance with the recently completed audit of all jobs as agreed upon between the parties in writing.
2. Restudies of these jobs agreed upon may be requested by either party only upon demonstration of error or change in job content or working conditions sufficient to alter job factors. In this event, either party shall notify the other of the desired restudy, giving reasons for same. The company analyst will make the restudy and provide the

² Ibid., 71.

union with a copy of the evaluation.

Following receipt of the restudy, the union shall have ten (10) calendar days in which to protest the re-evaluation. If no protest is made, the company will proceed to institute the new rate immediately. If a protest is received, it shall be handled within the machinery hereinafter provided.

3. Evaluations of new jobs shall be completed by the company analyst as soon as practicable after the job is established. The company will give the union a copy of the evaluation as soon as completed, whereupon the union shall have ten (10) calendar days after receipt in which to protest the rate within the protest machinery. Should the union's protest be upheld, adjustments resulting from such protest will be retroactive to date of installation.

PROTEST MACHINERY

(Protest Panel)

Upon receipt of protest as provided, the company analyst and the superintendent of the department affected (or his representative) shall meet, within seven (7) days, with two (2) designated union representatives at a time convenient to each. At this meeting each party shall present their viewpoints and make a sincere attempt to properly evaluate the job within the scope of the evaluation program. A written statement as to the conclusions of this panel, showing agreement or dissent, shall be signed and presented to each party.

Either party may call on the services of a job analyst from the Employers' Association to evaluate the job and give his consideration to the viewpoints presented.

If the matter is not settled by the above procedure, it may be arbitrated, if written notice requesting arbitration is presented within five (5) days after the above meeting is completed. Such arbitration will proceed under steps of the grievance procedure.³

Another example of clauses covering job evaluation in

3 Ibid., 71-72.

collective bargaining agreements are the following sections from the 1951 agreement between the Boeing Airplane Company, Wichita Division, and the International Association of Machinists, District Lodge Number 70:

1. The Company will initiate job descriptions covering all new or revised job classifications in the bargaining unit. The Company will also evaluate each job classification and furnish the Plant Chairman with a copy of the new or revised job description, evaluation and proposed grade. The Plant Chairman shall approve or disapprove the description of the duties required by the Company for such job classification, evaluation, and/or grade submitted for such new or revised job classification within five (5) working days after receipt, and if he fails to disapprove within that period, the job classification shall stand approved.

2. If the Union disapproves of any existing, new or revised job description, evaluation, and/or grade of a job classification in the bargaining unit, it shall file a written statement of specific objections with the Industrial Relations Director. Thereupon, a representative of the Industrial Relations Director and a representative of the Union shall confer within four (4) working days and attempt to settle the difference. If a settlement is not agreed upon within the four (4) working day period, the dispute will be submitted in writing to the Board of Arbitration for handling as provided in Article IV, Step 4.

The Company shall have the right to initiate, evaluate and make operative any new or revised job classification, with the understanding that should the Board of Arbitration later order in settlement of a dispute that the job classification be changed to a different wage range, then the Company will make such retroactive wage adjustments arising as a result thereof to the date one party notifies the other of its desire to refer the dispute to Arbitration. The decision of the Board of Arbitration shall be limited to a determination of the grade of the job classification in dispute, and shall not be in opposition to the sole and exclusive right of the Company to determine what work is to be performed, how it is to be performed, or where it is to be performed.

3. An up-to-date copy of a recap listing of all job classifications currently in use in the bargaining unit

shall be furnished the Union at the same time seniority lists are furnished. The Union agrees to the discreet use of these job classification lists so that they shall not be made generally public.

4. Except as otherwise provided in this Article, permanent work assignments shall be in accordance with established job descriptions. This shall not restrict the right of the Company to alter work functions or to formulate new job procedures and begin work thereon in accordance with Paragraphs 1 and 2 above.⁴

Many union agreements are not as detailed in their content as the above clauses. The following clauses are more representative of job evaluation clauses found in various union agreements:

Wage rates payable by the COMPANY shall be those now paid until the Job Evaluation Plan becomes effective, and thereafter shall be those specified by the Job Evaluation Plan.

The job evaluated classifications and the wage ranges shall be as shown on schedule attached to this contract. New jobs shall be slotted into schedule in accordance with their job evaluated content. There will be no reductions in the personal job rates for present employees for the duration of this 1949-50 contract.

The Company has given to the Union a copy of the job descriptions and classifications in the plant and the base hourly rate ranges paid therefor, and the same is attached hereto and marked "Exhibit B". The Company will discuss these job descriptions, classifications and rates whenever the same shall become necessary. No changes under this section shall be retroactive except as provided for in grievance procedure.⁵

⁴ Agreement Between the Boeing Airplane Company, Wichita Division, and the International Association of Machinists, District Lodge No. 70, Effective January 1, 1951, 19-20.

⁵ Dartnell, Job Evaluation, 73.

It is a practice of many companies to distribute and post bulletins to workers stressing the fact that job evaluation procedure is in accordance with the union agreement. A portion of such a bulletin which was distributed to explain that re-evaluation of old jobs would not interfere with the union's seniority agreement, reads as follows: "Old employees whose present rate is above the evaluated rate will still continue to receive their present rate . . . , but new employees . . . will start at 5 cents an hour below the evaluated rate and will be increased to the evaluated rate only after being with the company for a period of 6 months."⁶

Experience of the Washington Gas Light Company. We have seen from some of the above clauses that many collective bargaining agreements include provisions for handling protests arising from the job evaluation system. The experience of the Washington Gas Light Company of Washington, D.C. is an example of how a good system was established for the handling of protests and grievances. This company adopted a formal job evaluation system in 1945. After the idea had been put before the union and accepted, a committee was selected. The committee was made up of five representatives of management and five union members.

Prior to final acceptance of the job evaluation plan, the employees thoroughly discussed the new plan. Workers who

⁶ Ibid., 72.

faced downgrading and a resulting cut in wages were not in favor of the plan, while those who would be upgraded and subsequently receive a raise in pay were in favor of the new job evaluation plan. In order to sell the plan and to show its fairness, the company decided that during a period of several months, all requests for job reviews from the union would be accepted. During the period of time involved, twenty requests for job reviews were received. All of these jobs were reevaluated; three were upgraded and the remaining seventeen stayed the same. At the end of the period an agreement was made with the union that the grades already in effect would stay the same until the contract reopening date. It was agreed, however, that jobs could be reopened for review if there were any changes made in duties or responsibilities.

As a result of the experience during the experimental period of review, it was decided to establish a standard procedure for handling future cases. A committee was formed from management personnel in the first two levels of supervision who would be familiar with all jobs in the plant. The committee was then trained in job evaluation methods of the company.

The union recognized that an objective method of relating jobs was of value to it and would reduce the unorganized arguments of complainants to concrete measures. It then decided to establish its own committee and the company offered assistance in training its members. The offer was accepted at once, and a

series of training sessions was scheduled.

In practice the program works like this. An employee wishing to have his job reevaluated contacts his immediate supervisor. If the supervisor feels a review is merited, he requests the Personnel Department to make a review. If the Personnel Department disagrees, the employee's next step is formal grievance procedure. Upon the request of a review or grievance, a job analyst studies the job and prepares a description. A copy of the description is sent by the writer to the supervisor and union. The management job evaluation committee evaluates the job at a meeting with the writer acting as chairman, but not voting. The result is approved by the Vice President in charge of personnel services and the point values and pay grade assigned. The union evaluation committee has an idea that saves a lot of trouble. When the employee appears before the committee, the rating scale is copied with the point values omitted. The committee asks the employee to select the degree definition applicable to his job. Most selections are quite reasonable and are the same or quite close to those chosen by the committee. After this, if the union committee disagrees with management's evaluation, a joint committee meeting is called.

The meeting is begun by the employee explaining his duties and responsibilities. The employee is then excused and the members of the committee discuss the facts and their application to the degree definition of the rating scale. There is no indi-

vidual voting, and if an agreement is not arrived at, the case is referred to the final grievance procedure prior to arbitration. This step is a meeting between the Coordination Committee of the union and the Management Negotiating Committee. The Coordination Committee is a group designated by the union at its highest level to contact management on all matters not settled in the departments. The Management Negotiating Committee has a similar status with the company. Any matter not settled by these two groups may be carried to arbitration by either group. None of the Management Negotiating Committee members are on the company's job evaluation committee, but nearly all of the union's Coordination Committee is on their job evaluation committee.⁷

Survey of Ninety-Six Companies. An analysis of data concerning a survey of ninety-six companies having job evaluation systems reveals some interesting facts as shown in Table IV.⁸ Of the ninety-six companies surveyed, forty-three, or 44% of the total, included job evaluation clauses in their union contracts. On the other hand, forty-one, or 43% of the total, did not include any clauses covering job evaluation in their contracts with the union. Twelve of the companies, or 13%, had no union. From the results of this limited survey it would hardly be fair to say

7 H. E. Boyd, "Negotiating Rate Grievances with Job Evaluation," Personnel Journal, XXIX, May, 1950, 8-12.

8 See Table IV, page 51.

TABLE IV

**INCLUSION OF JOB EVALUATION CLAUSES IN UNION
CONTRACTS OF NINETY-SIX COMPANIES^a**

Types of Industries	Number of companies		No union clauses
	Including clauses	Excluding clauses	
Aircraft Industry	5	1	
Building Products	1	1	
Chemical Products	2	2	
Drugs and Pharmaceuticals		2	1
Electrical Manufacturing	2	3	
Farm Machinery		2	
Food Processing	1	1	
Household Furnishings	4		1
Industrial Machinery	14	12	
Office Machines		1	3
Paper and Allied Products	2	1	
Petroleum		3	
Plumbing, Heating	3	1	1
Publishing and Printing		2	1
Retail Merchandising	1		1
Silverware, Jewelry		1	2
Sports Equipment, Toys, etc.	1	1	
Steel and Steel Products	1	1	
Miscellaneous	6	6	2
Totals	43	41	12
Per Cent of Total	44%	43%	13%

^a Compiled from information found in The Dartnell Corporation, Job Evaluation Methods and Procedures, Report No. 605, Chicago, n.d.

that approximately half of all companies having job evaluation plans and a union representing the employees include clauses covering job evaluation in their contracts. It is probably correct, however, for us to assume that unions are more willing to accept job evaluation if they can be sure that the contract will provide some recourse when they feel that a job has not been properly graded.

Summary. In this chapter we have seen that most clauses concerning job evaluation in union labor agreements provide machinery through which the union may protest any or all job classifications which it feels are unfair. Many union contracts also include provisions for the union job evaluation committee to receive copies of new or changed job classifications after they have been established, which are subsequently subject to acceptance or protest. In cases where a grade is protested the contract specifies who shall represent the union and who the management representatives shall be in reviewing the grade, as well as providing for the job analyst to be present for the discussion. The unions are usually well protected when they include clauses covering the operation of a job evaluation plan in the union contract.

CHAPTER VI

CONCLUSION

Job evaluation is a means of determining a job's worth in relation to other jobs in the same wage structure. A job can be rated in one of two different ways: either by basing its worth on the arbitrary judgement of a group of individuals who place that job in a position by guessing at its worth, or by a systematic method of determining its worth as the result of adding the values of a group of factors. This latter method of determining the value of a job is not scientific in the sense we usually think of a science being accurate. However, it does use a scientific approach in that all of the job facts are gathered, and in some method they are weighed and evaluated so that there is a job hierarchy established, based upon the gathering of accurate and specific information in regards to the jobs being studied.

Unions are prone to criticize job evaluation as being over complicated and hard for the average worker to understand. It is generally felt by unions that job evaluation is a management tool for establishing a job hierarchy that limits the area of collective bargaining and consequently hinders the unions in negotiating rate increases. Another criticism of job evaluation is that

it is based upon values established as a result of the originators of the plan using only arbitrary judgement in fixing the weights to be used. The unions also feel that individual rates should be negotiable where it is deemed feasible to do so, but as a result of the rigidity of most systems, individual rates are not negotiable except as a result of a request by the union for a reevaluation of the job.

Most unions are willing to accept job evaluation in principle. Under the proper initiation and guidance, management can often secure union cooperation in installing a job evaluation plan. When a union agrees to join management in installing a job evaluation program, the union should enjoy full rights in determining evaluations of jobs, methods of studying jobs, type of plan to be used, and administration of the plan after it has been installed. Unions should have equal representation on all committees, and its representatives should be qualified to evaluate jobs, usually trained along with management's personnel who will do the job. The union should have a means of recourse to secure reevaluation on jobs which they feel are improperly evaluated. The union should have access to the criteria upon which the evaluations are established and the subsequent descriptions of the job. When matters pertaining to the job evaluation program are being considered by a committee, it is well to have the head of the job evaluation department or a qualified job analyst act as an impartial chairman of the committee.

After the union and management have made the initial installation of a job evaluation program and the jobs are evaluated, the union usually requests that the collective bargaining agreement include clauses covering the program. The clauses generally state very specifically the type of plan to be used and the responsibilities of the company in carrying out the wage program. The agreement usually specifies what information the company will supply the union with and the procedure the union should follow in asking for the material it desires. The union agreement usually specifies the period of time the union has in accepting a new grade or rejecting it, as well as the time limits on various topics such as asking for grade cancellations, requesting grading of new jobs, and intervals of raises to be given new employees from the time they start until the raises specified in number and amount bring the new employee up to the job rate. Provisions are made where an employee's job is reclassified and placed in a lower grade or where a job is abolished to maintain the employee at the same rate of pay. The grievance procedure is also laid out in the union agreement, providing for the method by which jobs may be protested, reevaluations requested, and the personnel who will participate in these matters are specified for both management and the union.

Usually a rate structure based upon job evaluation provides a means for honest collective bargaining of wages. It is difficult to enter into intelligent wage negotiations without

some type of job classification system, and job evaluation offers the most objective type of ratings. Many labor leaders have expressed agreement with the principles of job evaluation, although they avidly fight against any of their organization participating in any such program. It is on the local level, however, that most of the companies who gain union agreement to job evaluation have the most success. The steel industry is the only known industry to have a national system agreed upon.

In looking objectively at unions' criticisms and from the standpoint of some experience in the field of job evaluation, the writer feels most of the arguments of unions against this form of wage determination are not too sound. The unions argue that job evaluation systems are too complex, but it is usually just a matter of simple arithmetic when considering either the point rating or factor comparison systems. The point rating type of plan is usually based on arithmetic progression, with the heaviest weights in the skill factors. On the other hand, in the factor comparison system the factors are given money values. In both cases, the evaluation of each factor and the money value are easily established. The point rating plan merely has to be converted to money values, and the factor comparison system has to be added up to the rate of pay.

As to any criticism on the part of the unions that there is inaccuracy in the judgement of the individuals setting the values for the various factors or judging the position of one job in

relation to its being easier or more difficult to perform than another job, it is all a matter of relative accuracy. It has already been established that we do not consider job evaluation a science in the accepted definition of the word, but it is fairly accurate. The judgements of several individuals, usually thoroughly acquainted with the jobs involved, determine the values to be used and the evaluation of those jobs in terms of the defined values. We feel that when the judgement of several individuals is involved, there are enough compensatory factors involved to allow for a rather accurate evaluation in the majority of cases.

The attitude of union officials that job evaluation systems are too rigid merits some truth. However, any job evaluation system which is not flexible will eventually break down. It is one of the first principles of any job evaluation system to be flexible, involving easily reviewed jobs, a system where rate changes can be made without reevaluating every job, and allowing satisfactory leeway so that where there is any question of the true evaluation of a job, the benefit of the doubt may be given and the highest evaluation given to avoid any criticism.

There is every indication that unions are becoming more cordial to job evaluation. The reasons for this are that wage inequities are usually eliminated when job evaluation is used to determine a rate structure. In many cases there usually is an increase in the overall wages paid to workers, and the majority of employees involved are benefitted. Usually those individuals

who actually are overpaid for the work they perform are either continued at the same rate of pay or transferred to a job where they will perform work requiring their old rate.

Technological improvements have resulted in increased productivity. Unions have at times charged that job evaluation does not take into consideration increased productivity of workers as a result of technical advances. In a sense this is true; job evaluation does not consider the increased productivity in itself, but it does compensate the employee for relative factors that help him to contribute to that increased productivity. In years gone by a man was rated by his skill to produce a quality product and paid accordingly. Today the skilled journeyman is rare in industry; instead we have multitudes of semi-skilled and unskilled help. Everything is broken down into units and sub-units with large varieties of complex tools and machinery, complicated processes, and intricate assembly operations. The man or woman on those jobs is paid for his technical knowledge, his or her ability to operate machines and equipment, assemble complicated parts, and keep the product flowing. Years ago the same man engineered and fabricated a product; today several people perform the same job, each one a specialized operation and paid in relation to its relative value to all other operations.

Most unions today are faced with the situation of dealing with job evaluation plans. The American Federation of Labor and the Congress of Industrial Organizations both maintain large

industrial engineering staffs in order to help their affiliated members deal with the problems which arise concerning industrial engineering practices. A good many of these are concerned with job evaluation. Shop stewards are usually well informed on the subject of job evaluation in large industries, as a result of courses in the subject offered either through the union or by the company. Well informed stewards provide the union with a very good check on management's standards in setting rates.

Job evaluation is still a relatively new method of establishing wages, having made its greatest progress in the last thirteen years. Many plans are still quite cumbersome to administer and involve more work than is really necessary. The misuse and malpractices that many unions fear can be eliminated if the unions are requested to, and will, cooperate in installing and administering job evaluation systems. Unions can contribute much to simplifying plans as was done in the case of the United States Steel Company and the United Steel Workers of America. Collective bargaining on wages will be conducted on a much sounder basis throughout industry if unions and management cooperate in establishing a truly objective method for setting up wage structures.

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